BENG KUANG MARINE LIMITED
Registration No. 199400196M

RESPONSE TO SGX QUERIES ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The Board of Directors of Beng Kuang Marine Limited (the "Company and together with its subsidiaries, the "Group") refers to the queries ("Queries") raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") in respect of the Company's Annual Report for the financial year ended 31 December 2017 ("Annual Report") and wishes to respond to the Queries as follows:

SGX-ST Queries

Listing Rule 715(2) states that the Company should "must engage a suitable accounting firm for its significant foreign-incorporated subsidiaries and associated companies".

"We note that on pages 63 to 68 of its Annual Report, the Company stated that some its foreign-incorporated subsidiaries and associated companies are: (i) "audited by Kantor Akuntan Publik Charles & Nurlena, Indonesia and audited by Nexia TS Public Accounting Corporation for consolidation purposes"'; (ii) "audited by S.H. Lim & Co., Malaysia"; (iii) "audited by Nexia TS Public Accounting Corporation for consolidation purposes. Not required to be audited under the laws of the country of incorporation"; or (iv) "not required to be audited under the laws of the country of incorporation".

With regard to these entities, -

(i) Please state if the foreign-incorporated subsidiaries and associated companies in question are significant.

(ii) If so, please identify (1) the auditing firm involved; (2) the Board and Audit Committee's assessment of their suitability; and (3) their basis for the same."

Company's Response

In relation to Query (i), none of the Group's foreign incorporated subsidiaries or associated companies is significant and Query (ii) is not applicable.

Nevertheless, the Board wishes to highlight that the Accounts of its 100% owned Indonesian subsidiary, PT Nexus Engineering Indonesia and its 100% owned Malaysian subsidiary, ASIC Engineering Sdn Bhd were audited by foreign accounting firms.

Note: Listing Rule 718 states that a subsidiary or associated company is considered significant if its net tangible assets represent 20% or more of the issuer's consolidated net tangible assets or its pre-tax profits account for 20% or more of the consolidated pre-tax profits.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director and Chief Executive Officer
23 April 2018